

ACT NO. XIX OF 1920.

[PASSED BY THE INDIAN LEGISLATIVE COUNCIL.]

(Received the assent of the Governor General on the 23rd March, 1920.)

An Act to amend the law relating to super-tax.

WHEREAS it is expedient to amend the law relating to super-tax; It is hereby enacted as follows:—

VII of 1918. 1. (1) This Act may be called the Super-tax Act, 1920; Short title, extent and commencement.

(2) It shall have the same extent as the Indian Income-tax Act, 1918; and

(3) It shall come into force on the first day of April, 1920.

VII of 1918. 2. (1) In this Act, unless there is anything repugnant in the subject or context,— Definitions.

“principal Act” means the Indian Income-tax Act, 1918;

“super-tax” means a tax imposed by this Act; and

“unregistered firm” means a firm which is not a registered firm.

(2) Save as otherwise provided in this Act, words and expressions used herein and defined in the principal Act shall be deemed to have the meanings respectively attributed to them by that Act.

3. For the purposes of this Act taxable income shall be the taxable income computed in the manner laid down in Chapter I of the principal Act, subject to the following modifications, namely, that the proviso to section 7, sub-section (2) of section 12 and sub-section (2) of section 14 of that Act, shall have no application, and that sub-section (1) of section 12 shall have application only in the cases of unregistered firms and Hindu undivided families. Taxable income.

4. In

Incomes chargeable to super-tax and rate thereof.

4. In addition to the tax imposed by section 14 of the principal Act, there shall, subject to the following provisions of this Act, be charged and recovered and paid in the year beginning on the first day of April, 1920, and in each subsequent year—

(a) by every individual subject to this Act, by every unregistered firm and by every Hindu undivided family, a super-tax on his or its taxable income at the rate specified in the Schedule, and

(b) by every company, upon the amount by which its taxable income exceeds fifty thousand rupees, a super-tax at the rate of one anna in the rupee.

Method of assessment.

5. The Collector shall assess the sum payable after considering the returns, if any, made under sections 16, 17 and 28 of the principal Act, and the result of any inquiry made by him under section 18 of that Act. In the cases mentioned in sub-section (4) of that section the Collector shall make the assessment to the best of his judgment.

Application of Act VII of 1918.

6. Sections 19 to 23, 25 to 27, Chapters IV and V, sections 42 and 45 to 52 of the principal Act shall, so far as may be, apply in the case of super-tax as if that tax and also, in the case of section 25, as if any tax due under the Super-tax Act, 1917, were income-tax chargeable under the principal Act : VIII of 1917.

Provided that, in applying the said provisions, the word "prescribed" shall be deemed to mean prescribed by rules made under this Act or by rules made under the principal Act and applied with or without modification under the provisions of this Act.

Rules.

7. (1) The Governor General in Council may make rules for carrying out the purposes of this Act, and may, subject to such restrictions and conditions as he may impose, delegate to a Local Government the power to make such rules so far as regards the territories subject to that Government.

(2) Any rules made under section 43 of the principal Act may be applied by notification in the Gazette of India or the local official Gazette, as the case may be, to the purposes of this Act by the authority

rity which made the same, with such modifications specified in the notification as may be necessary to facilitate their application to the said purposes.

(3) Rules made or applied under this section shall be published in the Gazette of India or the local official Gazette, as the case may be, and shall thereupon have effect as if enacted in this Act.

Repeal of Act
VIII of 1917.

8. The Super-tax Act, 1917, is hereby repealed: VIII of 1917.

Provided that such repeal shall not affect the liability of any person to pay any sum due from him under the said Act.

SCHEDULE.

(See section 4.)

- (1) Where the taxable income does not exceed one lakh of rupees—
 - (a) in the case of a Hindu undivided family—
 - (i) in respect of the first seventy-five thousand rupees of taxable income, *Nil.*
 - (ii) in respect of the next twenty-five thousand rupees of taxable income; One anna in the rupee.
 - (b) in all other cases—
 - (i) in respect of the first fifty thousand rupees of taxable income, *Nil.*
 - (ii) in respect of the next fifty thousand rupees of taxable income. One anna in the rupee.
- (2) In respect of the first fifty thousand rupees of taxable income over one lakh of rupees. One and a half annas in the rupee;
- (3) In respect of the next fifty thousand rupees of taxable income. Two annas in the rupee;
- (4) In respect of the next fifty thousand rupees of taxable income. Two and a half annas in the rupee;
- (5) In respect of all taxable income over two and a half lakhs of rupees. Three annas in the rupee.